

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Time Warner Cable Information  
Services (California), LLC (U-6874-C) for  
Authority to Discontinue Telecommunications  
Services in the State of California.

A.07-07-010

**RESPONSE OF PACIFIC BELL TELEPHONE COMPANY  
D/B/A AT&T CALIFORNIA (U 1001 C) TO APPLICATION OF TIME WARNER  
CABLE INFORMATION SERVICES (CALIFORNIA), LLC (U 6874 C)  
FOR AUTHORITY TO DISCONTINUE TELECOMMUNICATIONS  
SERVICES IN THE STATE OF CALIFORNIA**

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August 20, 2007

Pursuant to Rule 6 of the Commission's Rules of Practice and Procedure, Pacific Bell Telephone Company, d/b/a AT&T California ("AT&T California") submits this Response to Time Warner Cable Information Services' ("Time Warner") Application for Authority to Discontinue Telecommunications Services in the State of California, filed on July 13, 2007, and Consolidated Reply to Responses of AT&T California and Verizon California, Inc., filed on August 10, 2007.

## **I INTRODUCTION**

In its Application to Discontinue Telecommunications Services, Time Warner has informed the Commission that it intends to drop approximately 14,000 customers because they no longer meet the company's new business model. AT&T California has requested to be the Default Carrier under the Mass Migration Guidelines ("MMGs") for those areas in which it provides local exchange service. To impose a November 2007 deadline to migrate 7,000 customers who are at risk of losing service and deny cost recovery is unreasonable and does not comport with the Mass Migration Guidelines.<sup>1</sup>

The Commission has expressly afforded Default Carriers (a) reasonable recovery of extraordinary costs associated with a mass migration,<sup>2</sup> and (b) flexibility in the migration deadlines.<sup>3</sup> These provisions were extended specifically because CLEC mass migrations can be a "potentially difficult process."<sup>4</sup> Time Warner's application is an example of a sizeable migration that can be quite complex and time consuming even with the cooperation of the exiting carrier. Denying the Default Carrier the flexibility and cost recovery anticipated in Decision 06-10-021 will place 7,000 customers at risk of losing service as a result of Time Warner's withdrawal.

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<sup>1</sup> *Re Rules Governing the Transfer of Customers from Competitive Local Carriers Exiting the Local Telecommunications Market*, Decision No. 06-10-021, *Opinion Adopting Mass Migration Guidelines*, 253 P.U.R.4th 112, Attachment A (Oct. 5, 2006).

<sup>2</sup> *Id.*, *mimeo*, at 12.

<sup>3</sup> *Id.* at Attachment A, p. 12.

<sup>4</sup> *Id.* at 4.

## II DISCUSSION

### A. Completing the Mass Migration of 7000 Customers by November 2007 Is Unfeasible.

AT&T California will work diligently to complete the migration of Time Warner's customers on a timely basis. AT&T California will give this project priority by issuing service orders immediately,<sup>5</sup> verifying and assigning facilities, wiring each central office connection, and then making a premise visit to each customer location. Though AT&T California believes that all orders can be issued within 30 days, completing required technician site visits by November 2007 is impossible.

If the Commission grants Time Warner's request for a November deadline, AT&T California would have to complete 304 orders per day over a 30-day period. This would require 304 site visits each day. Just the work of reconnecting existing aerial or buried wire can take 1-1/2 hours, resulting in a total outside plant workload of over 10,000 hours. The company simply does not have the personnel or equipment to conduct this many visits to customer premises over and above the non-migration site visits already anticipated during this time period. Moreover, repeat visits due to customer unavailability and lack of access to the Network Interconnection Device add significant delay. Should the Commission require a completion date of November 2007, as requested by Time Warner, AT&T California can simply not serve as the Default Carrier.

That said, AT&T California does not need Time Warner to provide circuit switched services indefinitely, something about which Time Warner expressed concern in its Reply.<sup>6</sup> Instead, Time Warner will need only to extend its circuit switched services out by approximately 4 months.<sup>7</sup> AT&T California's 4-month timeframe is based on approximately 84 site visits per day.

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<sup>5</sup> Given the timeframe outlined in Time Warner's application, AT&T California understands that the earliest it will receive customer address information is on or around September 19, 2007, and some of the information will not be provided until after September 24, 2007. AT&T California will mail all FCC notifications at that time and must then wait 30 days before initiating the migration process described above.

<sup>6</sup> Time Warner Consolidated Reply to Responses of AT&T California and Verizon, p. 3 (Aug. 10, 2007).

<sup>7</sup> AT&T California Response Requesting To Be Designated the Default Carrier, p. 3 (July 30, 2007).

AT&T California is ready to commit to this migration. However, cooperation from Time Warner will be vital to ensure that their circuit switched services do not continue indefinitely, and protect the interests of all customers. AT&T California recommends that Time Warner provide the Commission with weekly progress reports pursuant to Section VI.D of the MMGs to help the parties remain on schedule.

**B. The MMGs Afford Default Carriers Cost Recovery.**

Time Warner does not dispute that the MMGs afford Default Carriers cost recovery for extraordinary expenses incurred as a result of a mass migration. Rather, it opposes reimbursing AT&T California for the three categories of extraordinary costs outlined in AT&T California's Response.<sup>8</sup> Its position regarding the appropriateness of reimbursing these costs does not have merit and should be disregarded on the following grounds:

(1) Distribution of customer notifications – Time Warner's assertion that the MMGs do not require a Default Carrier to distribute notifications is incorrect. Section V.A of the MMGs expressly requires the Default Carrier to provide its potential end user customers 30 day notification of the migration in accordance with FCC requirements.

(2) Multiple premise visits – Time Warner erroneously opposes this cost on grounds that AT&T California has COLR obligations to migrate these customers. Decision 06-10-021 expressly states that the underlying network service provider or the COLR may be ordered to migrate the customer only if the Commission has no Default Carrier. That is not the case here. AT&T California has volunteered to be the Default Carrier.

(3) Placement of new facilities – Without the customer list, AT&T California cannot respond to Time Warner's assertion that new facilities are not needed. If Time Warner's representations are correct, this issue is moot. However, if new facilities are necessary, reimbursement would be appropriate.

As discussed in Section A, above, AT&T California will also incur significant costs to deploy technicians to each customer premise within an expedited 4-month timeframe. These are not costs AT&T California would have otherwise incurred but for the scope of this particular mass migration. It would be unfair and contrary to the cost-recovery policy underlying Decision 06-10-021 to deny reimbursement of these expenses.

As a volunteered Default Carrier, AT&T California's priority is to migrate Time Warner's customers quickly and efficiently. AT&T California will work towards limiting the

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<sup>8</sup> See *id.* at 4, fn. 10.

extraordinary costs for which Time Warner may be responsible. However, AT&T California will also attempt to complete this migration as swiftly as possible to accommodate Time Warner's contractual limitations. Extraordinary costs are likely to result. AT&T California will work with Time Warner to minimize these expenses as best as possible.

### **III CONCLUSION**

AT&T California hereby requests that the Commission consider the magnitude of this migration when approving the MMG deadline extensions, and recognize MMGs' cost recovery mechanism when assessing AT&T California's reimbursement request.

Dated at San Francisco, California, this 20<sup>th</sup> day of August 2007.

Respectfully submitted,

/s/  
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**CERTIFICATE OF SERVICE**

I hereby certify that I have this day served a copy of the **RESPONSE OF PACIFIC BELL TELEPHONE COMPANY D/B/A AT&T CALIFORNIA (U 1001 C) TO APPLICATION OF TIME WARNER CABLE INFORMATION SERVICES (CALIFORNIA), LLC (U 6874 C) FOR AUTHORITY TO DISCONTINUE TELECOMMUNICATIONS SERVICES IN THE STATE OF CALIFORNIA**, filed today in **A.07-07-010**, by electronic mail, U.S. Mail and/or by hand-delivery to the persons on the attached Service List in this proceeding.

Executed this 20<sup>th</sup> day of August 2007, at San Francisco, California.

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/s/  
Morena E. Lobos

\*\*\*\*\* **SERVICE LIST** \*\*\*\*\*

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